

Message Text

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ORIGIN XMB-04

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 EB-08

FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 OPIC-03

SP-02 LAB-04 SIL-01 OMB-01 /057 R

DRAFTED BY: XMB:LMLAROCHE

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XMB:CNORRIS

EUR/SE:RDELABARRE

-----222100Z 044090 /67

P 222018Z MAR 77

FM SECSTATE WASHDC

TO AMEMBASSY ANKARA PRIORITY

INFO AMCONSUL ISTANBUL PRIORITY

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E.O. 11652: NA

TAGS: EFIN, TU

SUBJ: EXIM DENIAL OF ERDEMIR STEEL LOAN

1. EXIMBANK ON 17 MAR DENIED APPLICATION FROM ERDEMIR FOR LOAN TO ASSIST IN FINANCING DOL102 MILLION IN U.S. COSTS OF ERDEMIR STAGE II EXPANSION. GUVEN OF EMBASSY AND YAVASCA OF ERDEMIR PITTSBURGH SO ADVISED.

2. FINANCIAL PERFORMANCE, MANAGEMENT TURNOVER, CONSTRUCTION DELAYS AND OVERRUN ON STAGE I, AND FAILURE OF GOT TO PROVIDE TL AS AND WHEN REQUIRED WERE FACTORS IN CONSIDERATION. EARLIER EXIM FINANCING FOR STAGE I WAS APPROVED UNDER EXPORT EXPANSION FACILITY WITH MORE LIBERAL CRITERIA. GIVEN DEVELOPMENT ORIENTATION OF PROJECT, IT IS CONSIDERED NOT WHOLLY APPROPRIATE TO CONVENTIONAL FINANCING. THIS ESPECIALLY TRUE AT THIS TIME, WITH DIFFICULT ECONOMIC SITUATION, SUBSTANTIAL EXIM EXPOSURE, AND HEAVY DEMAND FOR FINANCING. STAGE II THUS CONSIDERED NOT LIMITED OFFICIAL USE

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TO MEET CRITERIA FOR PROJECT EVALUATION UNDER EXIM SELECTIVE POLICY, NOTWITHSTANDING APPARENT MERIT FROM ERDEMIR VIEWPOINT OF PROCEEDING WITH EXPANSION, AND DECLARED GOT PRIORITY.

3. EMBASSY REQUESTED TO SO ADVISE ERDEMIR, DRAWING ON ABOVE AS APPROPRIATE. DENIAL LETTER FOLLOWS.

4. ALSO ADVISE ERDEMIR THAT EXIM CONSENT TO DIVIDEND PAYMENT
IN PROCESS, CONDITIONED UPON GOT CONSENT.

5. SEPTTEL ONPETKIM DENIAL. VANCE

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: STEEL, LOANS, CREDIT PROGRAMS, INDUSTRIAL PLANTS
Control Number: n/a
Copy: SINGLE
Sent Date: 22-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE063393
Document Source: CORE
Document Unique ID: 00
Drafter: XMB:LMLAROCHE
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770098-0576
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770334/aaaabdgj.tel
Line Count: 66
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: d5dc34b4-c288-dd11-92da-001cc4696bcc
Office: ORIGIN XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 07-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3032565
Secure: OPEN
Status: NATIVE
Subject: EXIM DENIAL OF ERDEMIR STEEL LOAN
TAGS: EFIN, TU, US, XMB
To: ANKARA
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/d5dc34b4-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009